

Message Text

LIMITED OFFICIAL USE

PAGE 01 STATE 210528

64

ORIGIN L-03

INFO OCT-01 AF-08 ISO-00 CU-02 AID-05 H-02 TRSE-00 EB-07

CPR-01 /029 R

DRAFTED BY L/AF:MJMATHESON:EMB

APPROVED BY L/AF:MJMATHESON

AF/W:ESVENDSEN

L/ECP:EMAURER (DRAFT)

CU/AF:RELPH

L/T:JBOYD

AID/GC:EDRAGON

AID/AFR:FSCARDATO

H:HROBINSON

TREAS:JACKSON (INFO)

----- 110995

R 242351Z AUG 76

FM SECSTATE WASHDC

TO AMEMBASSY MONROVIA

LIMITED OFFICIAL USE STATE 210528

E O. 11652: N/A

TAGS:OEXC,LI

SUBJECT: PORT OF MONROVIA AGREEMENT

1. WE ARE CONSIDERING PROPOSING TO THE GOL THE DRAFT AGREEMENT CONTAINED IN PARA 3 BELOW FOR RESTRUCTURING OF PORT OF MONROVIA AGREEMENT. THIS DRAFT WOULD: (A) TERMINATE 1964 AGREEMENT; (B) PROVIDE FOR PAYMENT OF OUTSTANDING BALANCE OF LEND-LEASE DEBTS INTO SPECIAL TRUST ACCOUNT IN LIBERIA IN ACCORDANCE WITH EXISTING SCHEDULE; AND (C) PERMIT DISBURSEMENTS FROM TRUST ACCOUNT FOR DEVELOPMENT PROJECTS APPROVED BY U.S. AND LIBERIA. THE DRAFT PROVIDES CUSTOMARY CONTROLS OVER THE TRUST ACCOUNT, AND CUSTOMARY IMMUNITIES FOR PERSONS, PROPERTY AND ASSETS CONNECTED WITH LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 STATE 210528

THE IMPLEMENTATION OF APPROVED DEVELOPMENT PROJECTS.

2. WE HAVE NOT YET COMPLETED CONGRESSIONAL CONSULTATIONS ON THIS APPROACH, OR SOUGHT FORMAL INTERAGENCY APPROVAL FOR NEGOTIATION OF SUCH AN AGREEMENT. BEFORE DOING SO WE WOULD APPRECIATE EMBASSY'S VIEWS AND SUGGESTIONS ON THE DRAFT, AND INFORMAL SOUNDING OUT OF GOL TO DETERMINE IF IT IS LIKELY TO BE SATISFIED WITH THIS APPROACH. IN SO DOING, PLEASE EMPHASIZE USG IS NOT YET COMMITTED TO THIS APPROACH, NOR HAVE NECESSARY CONGRESSIONAL CONSULTATIONS BEEN COMPLETED. IN VIEW OF IMMINENCE OF TOLBERT VISIT, WE WOULD APPRECIATE

YOUR COMMENTS AT AN EARLY DATE.

3. DRAFT AGREEMENT UNDER CONSIDERATION IS AS FOLLOWS:

A) THE AGREEMENT OF APRIL 13 AND 14, 1964, RELATING TO THE TRANSFER OF TITLE TO THE PORT OF MONROVIA TO THE GOVERNMENT OF LIBERIA SHALL NO LONGER BE IN FORCE, EXCEPT THAT THE AGREEMENT OF DECEMBER 31, 1943 SHALL IN NO WAY BE CONSIDERED REINSTATED OR REVIVED. THE SUM OF \$15,847,682.39, THE OUTSTANDING BALANCE OF THE LEND-LEASE FINANCED CONSTRUCTION COSTS OF THE PORT OF MONROVIA, SHALL BE PAID BY THE GOVERNMENT OF LIBERIA INTO A SPECIAL TRUST ACCOUNT ESTABLISHED HEREUNDER, IN AMOUNTS AND AT INTERVALS SET FORTH IN THE ANNEXED SCHEDULE OR AS OTHERWISE DETERMINED BY AGREEMENT OF THE GOVERNMENT OF LIBERIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA.

B) THE GOVERNMENT OF LIBERIA AND THE GOVERNMENT OF THE UNITED STATES OF AMERICA SHALL ESTABLISH IN LIBERIA A SPECIAL TRUST ACCOUNT FROM WHICH DISBURSEMENTS SHALL BE MADE TO FINANCE SUCH DEVELOPMENT PROJECTS AS MAY BE SELECTED BY REPRESENTATIVES OF THE APPROPRIATE AGENCY OR AGENCIES OF THE GOVERNMENT OF LIBERIA AND APPROVED BY REPRESENTATIVES OF THE AGENCY DESIGNATED BY THE GOVERNMENT OF THE UNITED STATES TO ADMINISTER ITS RESPONSIBILITIES HEREUNDER. DISBURSEMENTS SHALL BE MADE IN ACCORDANCE WITH ARRANGEMENTS AGREED UPON BETWEEN THE ABOVE-MENTIONED REPRESENTATIVES, BUT ONLY UPON THE WRITTEN AUTHORIZATION OF BOTH THE CHIEF OF THE DIPLOMATIC MISSION OF THE UNITED STATES AND THE CHIEF OF THE DIPLOMATIC MISSION OF THE UNITED STATES OF AMERICA.

LIMITED OFFICIAL USE

PAGE 03 STATE 210528

STATES OF AMERICA TO THE REPUBLIC OF LIBERIA AND THE MINISTER OF FOREIGN AFFAIRS OF THE REPUBLIC OF LIBERIA, WHO SHALL SERVE AS JOINT TRUSTEES.

C) ALL INTEREST EARNED UPON FUNDS HELD IN THE TRUST SHALL BE RETAINED THEREIN FOR USE IN ACCORDANCE WITH THE PURPOSES SET FORTH IN ARTICLE B HEREOF.

D) THE GOVERNMENT OF LIBERIA SHALL ASSURE TITLE TO ALL FUNDS HELD IN THE TRUST OR ALLOCATED TO OR DERIVED FROM ANY PROGRAM OF ASSISTANCE FINANCED THEREBY. SUCH FUNDS SHALL NOT BE SUBJECT TO TAXATION OR TO GARNISHMENT, ATTACHMENT, SEIZURE OR OTHER LEGAL PROCESS BY ANY PERSON, FIRM, AGENCY, CORPORATION, ORGANIZATION OR GOVERNMENT UNLESS THE GOVERNMENT OF LIBERIA IS INFORMED BY THE GOVERNMENT OF THE UNITED STATES OF AMERICA THAT SUCH TAXATION OR LEGAL PROCESS WOULD NOT INTERFERE WITH THE ATTAINMENT OF THE OBJECTIVES OF ANY PROGRAM OF ASSISTANCE FINANCED HEREUNDER.

(1) ANY SUPPLIES, MATERIALS, EQUIPMENT OR FUNDS INTRODUCED INTO OR ACQUIRED IN LIBERIA THROUGH THE EXPENDITURE OF FUNDS FROM THE TRUST, OR BY ANY CONTRACTOR FINANCED BY THE TRUST, FOR PURPOSES OF ANY PROGRAM OR PROJECT CONDUCTED HEREUNDER SHALL, WHILE SUCH SUPPLIES, MATERIALS, EQUIPMENT, OR FUNDS ARE USED IN CONNECTION WITH SUCH A PROGRAM OR PROJECT, BE EXEMPT FROM ANY TAXES ON OWNERSHIP OR USE OF PROPERTY AND ANY OTHER TAXES, INVESTMENT OR DEPOSIT REQUIREMENTS, AND CURRENCY CONTROLS IN LIBERIA, AND THE IMPORT, EXPORT, PURCHASE, USE, OR DISPOSITION OF ANY SUCH SUPPLIES, MATERIALS, EQUIPMENT, OR FUNDS IN CONNECTION WITH SUCH A PROGRAM OR PROJECT SHALL BE EXEMPT FROM ANY TARIFFS, CUSTOMS DUTIES, IMPORT AND EXPORT TAXES, TAXES ON PURCHASE OR DISPOSITION OF PROPERTY, AND OTHER TAXES OR SIMILAR CHARGES IN LIBERIA. NO TAX (WHETHER IN THE NATURE OF AN INCOME, PROFITS, BUSINESS, OR OTHER TAX), DUTY, OR FEE OF WHATSOEVER NATURE SHALL BE IMPOSED IN LIBERIA UPON ANY CONTRACTOR WITH RESPECT TO OR AS A RESULT OF ANY ACTIVITY FINANCED BY THE TRUST.

(2) ALL PERSONNEL AND THEIR FAMILIES, EXCEPT CITIZENS LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 04 STATE 210528

AND PERMANENT RESIDENTS OF LIBERIA, WHETHER (I) EMPLOYEES OF THE GOVERNMENT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, (II) INDIVIDUALS UNDER CONTRACT WITH, OR EMPLOYEES OF PUBLIC OR PRIVATE ORGANIZATIONS UNDER CONTRACT WITH, THE GOVERNMENT OF LIBERIA OR ANY AGENCY THEREOF, (III) INDIVIDUALS UNDER CONTRACT WITH, OR EMPLOYEES OF PUBLIC OR PRIVATE ORGANIZATIONS UNDER CONTRACT WITH, THE GOVERNMENT OF THE UNITED STATES OF AMERICA OR ANY AGENCY THEREOF, OR (IV) INDIVIDUALS FINANCED BY THE TRUST, WHO ARE PRESENT IN LIBERIA TO PERFORM WORK IN CONNECTION WITH THIS AGREEMENT SHALL BE EXEMPT FROM INCOME AND SOCIAL SECURITY TAXES LEVIED UNDER THE LAWS OF LIBERIA WITH RESPECT TO INCOME UPON WHICH THEY ARE OBLIGATED TO PAY INCOME OR SOCIAL SECURITY TAXES TO ANY OTHER GOVERNMENT AND FROM TAXES LEVIED UNDER THE LAWS OF LIBERIA ON THE PUR-

CHASE, OWNERSHIP, USE, OR DISPOSITION OF PERSONAL MOVEABLE PROPERTY (INCLUDING AUTOMOBILES) INTENDED FOR THEIR OWN USE. SUCH PERSONNEL AND THEIR FAMILIES SHALL BE EXEMPT FROM CUSTOMS, IMPORT, AND EXPORT DUTIES ON ALL PERSONAL EFFECTS, EQUIPMENT, AND SUPPLIES IMPORTED INTO LIBERIA FOR THEIR OWN USE, AND FROM ALL OTHER DUTIES AND FEES OF WHATSOEVER NATURE, LEVIED UNDER THE LAWS OF LIBERIA.

F) THE GOVERNMENT OF LIBERIA WILL, WITHOUT RESTRICTION, PERMIT CONTINUOUS OBSERVATION, INSPECTION AND AUDITING BY UNITED STATES REPRESENTATIVES OF PROGRAMS AND OPERATIONS HEREUNDER AND BOOKS AND RECORDS PERTAINING THERETO; AND WILL PROVIDE THE GOVERNMENT OF THE UNITED STATES WITH FULL

AND COMPLETE INFORMATION CONCERNING SUCH PROGRAMS AND OPERATIONS AND OTHER RELEVANT INFORMATION WHICH THE GOVERNMENT OF THE UNITED STATES OF AMERICA MAY NEED TO DETERMINE THE NATURE AND SCOPE OF OPERATIONS AND TO EVALUATE THE EFFECTIVENESS OF THE ASSISTANCE FURNISHED OR CONTEMPLATED. BOOKS AND RECORDS WILL BE MAINTAINED IN ACCORDANCE WITH GENERALLY ACCEPTED ACCOUNTING PRINCIPLES, CONSISTENTLY FOLLOWED.

G) ALL OR ANY PART OF ANY PROGRAM OF ASSISTANCE FINANCED THROUGH THE TRUST MAY, EXCEPT AS MAY OTHERWISE BE PROVIDED IN ARRANGEMENTS AGREED UPON PURSUANT TO ARTICLE B LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 05 STATE 210528

HEREOF, BE TERMINATED BY EITHER GOVERNMENT IF THAT GOVERNMENT DETERMINES THAT BECAUSE OF CHANGED CONDITIONS THE CONTINUATION OF SUCH PROGRAM IS UNNECESSARY OR UNDESIRABLE. THE TERMINATION OF ANY PROGRAM UNDER THIS PROVISION MAY INCLUDE THE TERMINATION OF DELIVERIES OF ANY COMMODITIES HEREUNDER NOT YET DELIVERED.

H) THE AGREEMENT OF MAY 8, 1964, RELATING TO THE FINANCING OF EDUCATIONAL AND CULTURAL PROGRAMS, SHALL NO LONGER BE IN FORCE AS OF JULY 1, 1977 AND THE UNITED STATES EDUCATIONAL AND CULTURAL FOUNDATION SHALL BE DISSOLVED UPON THAT DATE. IT IS ENVISAGED THAT ALL ASSETS HELD BY THE FOUNDATION SHALL HAVE BEEN UTILIZED IN ACCORDANCE WITH THE TERMS OF THAT AGREEMENT BY THAT DATE. ANY ASSETS NONETHELESS RETAINED BY THE FOUNDATION AT THE TIME OF ITS DISSOLUTION SHALL REVERT TO AND BECOME THE PROPERTY OF THE UNITED STATES OF AMERICA.

I) WITH THE EXCEPTION OF ARTICLE H, THIS AGREEMENT SHALL ENTER INTO FORCE UPON ().

J) ANNEXED SCHEDULE: PAYMENTS SHALL BE MADE BY THE

GOVERNMENT OF LIBERIA IN SEMI-ANNUAL INSTALLMENTS, ON
(DATE) AND (DATE) IN THE FOLLOWING TOTAL AMOUNTS: 1977,
\$375,000; 1978/79, \$560,000 ANNUALLY; 1980/98, \$675,000
ANNUALLY; 1999, \$777,682.39.

4. AT LATER POINT WE WILL PUT TEXT IN APPROPRIATE FORMAT
FOR FORMAL AGREEMENT, INCLUDING APPROPRIATE OPENING AND
CLOSING LANGUAGE. WE ARE ALSO CONSIDERING ENUMERATING
TYPE AND SCOPE OF DEVELOPMENT PROJECTS WHICH WOULD BE AP-
PROPRIATE FOR APPROVAL BY U.S. UNDER AGREEMENT, EITHER IN
FORM OF ANNEX TO AGREEMENT OR SEPARATE LETTER TO BE PRO-
VIDED TO GOL; WE WILL PROVIDE THIS AT LATER POINT FOR YOUR
COMMENT. KISSINGER

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: n/a
Control Number: n/a
Copy: SINGLE
Draft Date: 24 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: coburnhl
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976STATE210528
Document Source: CORE
Document Unique ID: 00
Drafter: MJMATHESON:EMB
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760323-1238
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760823/aaaaatyn.tel
Line Count: 236
Locator: TEXT ON-LINE, ON MICROFILM
Office: ORIGIN L
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Review Action: RELEASED, APPROVED
Review Authority: coburnhl
Review Comment: n/a
Review Content Flags:
Review Date: 23 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <23 JUN 2004 by greeneet>; APPROVED <19 OCT 2004 by coburnhl>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: PORT OF MONROVIA AGREEMENT
TAGS: OEXC, LI
To: MONROVIA
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006